IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

In re:)	Chapter 11
)	Case No. 20-07466
WELL HEALED PET, INC.,)	Honorable A. Benjamin Goldgar
)	Motion Date: December 7, 2020
Debtor.)	Motion Time: 9:30 a.m.

COVER PAGE FOR THIRD INTERIM APPLICATION FOR COMPENSATION OF COUNSEL FOR THE DEBTOR

Name of Applicant: Robert R. Benjamin and Beverly A. Berneman

of Golan Christie Taglia LLP

Authorized to Provide Services to: Well Healed Pet, Inc.

Date of Order Authorizing Employment: April 13, 2020

Period for Which Compensation is Sought: August 12, 2020 to October 31, 2020

Amounts Sought:

Compensation: \$ 13,927.00 **Expenses:** \$ 134.20

This is a: Third Application

Amounts requested in prior fee applications (if applicable):

		Total Requested	Total Allowed	Fees & Expenses
Date Filed	Period Covered	(Fees & Expenses)	(Fees & Expenses)	Previously Paid
5/26/2020	3/16/2020-5/15/2020	\$42,665.00	\$42,665.00	\$35,317.00
8/14/2020	5/16/2020-08/11/2020	\$41.051.90	\$41,051.80	\$21,249.00

GOLAN CHRISTIE TAGLIA LLP

By: <u>/s/Robert R. Benjamin</u>

Robert R. Benjamin

GOLAN CHRISTIE TAGLIA LLP 70 W. Madison St., Ste. 1500 Chicago, IL 60602 (312) 263-2300 rrbenjamin@gct.law

IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

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)	Case No. 20-07466
WELL HEALED PET, INC.,)	Honorable A. Benjamin Goldgar
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NOTICE OF MOTION

TO: See Attached Service List

PLEASE TAKE NOTICE that on December 7, 2020 at the hour of 9:30 a.m., I will appear before the Honorable A. Benjamin Goldgar, or any judge sitting in that judge's place, and present the **THIRD INTERIM APPLICATION FOR COMPENSATION OF COUNSEL FOR THE DEBTOR,** a copy of which is attached.

This motion will be presented and heard electronically using Zoom for Government. No personal appearance in court is necessary or permitted. To appear and be heard on the motion, you must do the following:

To appear by video, use this link: https://www.zoomgov.com/. Then enter the meeting ID and password.

To appear by telephone, call Zoom for Government at 1-669-254-5252 or 1-646-828-7666. Then enter the meeting ID and password.

Meeting ID and password. The meeting ID for this hearing is 161 500 0972 and the password is 726993. The meeting ID and password can also be found on the judge's page on the court's web site.

If you object to this motion and want it called on the presentment date above, you must file a Notice of Objection no later than two (2) business days before that date. If a Notice of Objection is timely filed, the motion will be called on the presentment date. If no Notice of Objection is timely filed, the court may grant the motion in advance without a hearing.

Robert R. Benjamin Golan Christie Taglia LLP 70 W. Madison St., Suite 1500 Chicago, IL 60602 (312) 263-2300 rrbenjamin@gct.law WELL HEALED PET, INC.

By: <u>/s Robert R. Benjamin</u> One of its Attorneys

AFFIDAVIT OF SERVICE

I, Robert R. Benjamin, an attorney, certify that I served a copy of this notice and the attached motion on each entity shown on the attached list at the address shown and by the method indicated on November 16, 2020.

/s/Robert R. Benjamin
Robert R. Benjamin

GOLAN CHRISTIE TAGLIA LLP Attorneys for the Debtor 70 W. Madison, Ste. 1500 Chicago, IL 60602 P: 312-263-2300

F: 312-263-0939

SERVICE LIST

Patrick S. Layng United States Trustee 219 S. Dearborn, #873 Chicago, IL 60604 Via CM/ECF

Matthew Brash 1320 Tower Road Schaumburg, IL 60173 Via CM/ECF

Illinois Department of Revenue Bankruptcy Unit PO Box 19035 Springfield, IL 62794 Via Regular Mail

Associate Area Counsel 200 W. Adams Street, Suite 2300 Chicago, IL 60606 Via Regular Mail

GreatAmerica Financial Services Corporation Attn: Peggy Upton 625 First Street SE, Ste. 800 Cedar Rapids, IA 52401 Via Regular Mail

Airgas USA, LLC 6055 Rockside Woods Blvd. Independence, OH 44131 Via Regular Mail

Carlson Investments, LLC 17511 Green Road Harvard, IL 60033 Via Regular Mial Well Healed Pet, Inc. 1112 Front Street McHenry, IL 60050 Via Regular Mail

Byline Bank c/o Chuhak & Tecson PC Edmond M Burke Michael D. Leifman 30 South Wacker Drive, 26th Floor Chicago, IL 60606 Via CM/ECF

Illinois Attorney General 100 W. Randolph St., 13th Floor Chicago, IL 60601 Via Regular Mail

Internal Revenue Service P.O. Box 7346 Philadelphia, PA 19101 Via Regular Mail

Live Oak Banking Company c/o Chuhak & Tecson, P.C. Attention: Michael W. Debre 30 S. Wacker Drive, Suite 2600 Chicago, IL 60606 Via CM/ECF

Antech Diagnostics PO Box 101122 Pasadena, CA 91189 Via Regular Mail

Carol Andersen c/o Robert E. Swain 3030 Salt Creek Lane, Ste. 202 Arlington Heights, IL 60005 Via Regular Mail Davis, Pickren, Seydel & Sneed 2300 Marquis Two Tower 285 Peachtree Center Avenue, N.E. Atlanta, GA 30303 Via Regular Mail

Groot, Inc. PO Box 535233 Pittsburgh, PA 15253 Via Regular Mail

Pitney Bowes 27 Waterview Dr., 3rd Floor Shelton, CT 06484 Via Regular Mail

Stericycle, Inc. c/o A.R.M. Solutions, Inc. P.O. Box 2929 Camarillo, CA 93011 Via Regular Mail

Ron Bykowski First Midwest Trust Co. #13195 3723 West Elm Street McHenry, IL 60050 Via Regular Mail Fora Financial Business Loans, LLC 519 8th Avenue, 11th Floor New York, NY 10018 Via Regular Mail

Kabbage 925B Peachtree Street NE Suite 1688 Atlanta, GA 30309 Via Regular Mail

Stearns Bank N.A. Attn: Legal Department 4191 2nd Street South St. Cloud, MN 56301 Via Regular Mail

Zoetis US LLC P.O Box 419022 Boston, MA 02241 Via Regular Mail

David Paul Holtkamp Trial Attorney Office of the United States Trustee 219 S. Dearborn St., Rm. 873 Chicago, IL 60604 Via CM/ECF

IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

0-07466
A. Benjamin Goldgar
te: December 7, 2020
ne: 9:30 a.m.
1

THIRD INTERIM APPLICATION FOR COMPENSATION OF COUNSEL FOR THE DEBTOR

The attorneys of the law firm of GOLAN CHRISTIE TAGLIA LLP ("GCT"), counsel for the Debtor, WELL HEALED PET, INC. ("Debtor"), apply to this Court for an order approving the payment of interim fees in the amount \$12,164.50 for services rendered from August 12, 2020 through October 31, 2020 and the costs of preparing this fee petition in the amount of \$1,762.50 for a total of \$13,927.00 plus expenses in the amount of \$134.20 and in support thereof state as follows:

I. JURISDICTION

This Court has jurisdiction over this Application pursuant to 28 U.S.C. §157 and §1334. Venue is proper pursuant to 28 U.S.C. §\$1408 and 1409. This matter is a core proceeding pursuant to 28 U.S.C. §157(b).

II. GENERAL BACKGROUND

On March 16, 2020 (the "Petition Date"), Debtor filed a voluntary petition relief under Chapter 11, Subchapter V of the United States Bankruptcy Code.

On April 13, 2020, this Court entered an order allowing the retention of Robert R. Benjamin, Beverly A. Berneman, and Caren A. Lederer of the law firm of Golan Christie Taglia LLP ("GCT") as counsel for the Debtor (Docket No. 54).

On April 13, 2020 this Court entered an order allowing Debtor's retained professionals permission to seek interim compensation once every sixty (60) days after entry of the order for relief (Docket No. 56).

III. CASE STATUS

Debtor is in the business of veterinary medicine, pet store, and pharmacy.

Debtor sought protection under Chapter 11, Subchapter V to attempt to reorganize its debts.

The Court confirmed the Debtor's Amended Plan on August 10, 2020.

IV. DESCRIPTION OF THE APPLICATION FOR COMPENSATION

A. <u>General Information.</u> Rule 2016(a) of the Bankruptcy Rules requires a detailed application for fees. The primary objective of this fee application is to reveal sufficient information to enable the court to determine whether the services rendered in representing the Debtor were reasonable, actual and necessary. GCT has provided accurate and detailed records of the services which were made contemporaneously with the services performed. *In re Chicago Lutheran Hospital Association*, 89 B.R. 719 (Bkrtcy.N.D.III. 1988); *In re Wildman*, 72 B.R. 700 (Bkrtcy.N.D.III. 1987).

The statement of services includes a summary, by category, of the work done and time expended in each category. Much care has been taken to properly categorize the activities to the degree possible. Billing judgment was used to exclude hours which were excessive, redundant or otherwise unnecessary. *Hensley v. Eckerhart*, 461 U.S. 424, 76 L.Ed.2d 40, 103 S.Ct. 1933 (1983); In *re Temple Retirement Community, Inc.*, 97 B.R. 333 (Bkrtcy. W.D.Tex. 1989); *In re Wildman*, 72 B.R. 700 (Bkrtcy.N.D.Ill. 1987).

B. <u>Billing Entries.</u> GCT uses computerized time and billing software in the preparation of a fee petition. This interim fee petition contains a narrative summarizing the nature

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and purpose of each particular activity or project and the approximate number of hours and compensation sought for each activity. It contains a statement explaining the significance of the activity as well as the purpose, necessity and appropriateness of each such service. Where appropriate, it contains a statement of the effectiveness of the activity, alternatives considered, method for choosing the action taken, a statement of any difficult or unusual problems which arose in the case and the manner in which it was addressed. *In re Wildman*, 72 B.R. 700 (Bkrtcy.N.D.III. 1987).

C. <u>Hourly Charges</u>. GCT charges all clients, including for non-bankruptcy matters, \$565.00 per hour for senior partner services; \$455.00-\$550.00 per hour for partner time; \$150.00 per hour for travel time and \$175.00 per hour for paralegal time.

V. BANKRUPTCY LOCAL RULE 5081-1 COMPLIANCE

Bankruptcy Local Rule 5081-1 governs applications for compensation and reimbursements for professional services in cases under Chapter 11. Counsel provides the following discussion in compliance with Bankruptcy Local Rule 5081-1.

A. COVER SHEET [LOCAL RULE 5082-1(A)]

Counsel filed a cover sheet required by Local Rule 5082-1(A) simultaneously with the filling of this application for compensation.

B. NARRATIVE SUMMARY

SUMMARY LIST OF ALL PRINCIPAL ACTIVITIES AND SUMMARY OF TOTAL COMPENSATION REQUESTED IN CONNECTION WITH EACH ACTIVITY [Local Rule 5082-1(B)(1)(a)]

The summary of all activities is as follows:

Activity	Description of Activity	Invoice Hours	Totals
Code			
ADM	Administration	6.90	1,753.50
CLM	Claims	5.00	2,327.00
FIN	Financing	0.10	56.50
PLAN	Plan	15.10	8,027.50
TOTAL		27.10	\$12,164.50

C. NARRATIVE SUMMARY

Summary Of All Principal Activities Including Details and Description of Each Task and Activity and Total Compensation Sought in the Application, Hourly Rate for Each Professional within Each Activity and Name and Position of Each Professional [Local Rules 5082-1(B)(1)(b) and (d)]

From August 12, 2020 to October 31, 2020, the Debtor has incurred \$12,164.50¹ in fees at GCT's customary hourly fee rates, as is more fully set forth in Exhibit A.

The billing rates for each attorney and paraprofessional are identified in Exhibit A and in section V.E. below.

The following is a detailed narrative summarizing the nature and purpose of each particular activity or project and the approximate number of hours and compensation sought for each activity:

¹ Exclusive of fees incurred in preparation of this fee petition in the amount of \$1,762.50

1. ADMINISTRATION

The activities in the general administration category are those activities which are a necessary part of the representation of the Debtor, such as communications with the Debtor regarding the Debtor's operations, amending schedules, reviewing court proceedings, reviewing monthly operating reports and other court filings, responding to inquiries from creditors, communicating with the United States Trustee's office regarding issues related to the case and monitoring the Debtor's operations. The benefits of these services to the Debtor and its estate were both economic and non-economic. The economic benefits resulted in the Debtor operating smoothly during the reorganization process and assuring its compliance with the administrative requirements of a Chapter 11, Subchapter V debtor. The remainder of the services was of non-economic benefit to the Debtor by promoting the bankruptcy process and the smooth administration of the estate.

An itemized breakdown of the services rendered to the Debtor is attached hereto as Exhibit

A. A general breakdown is as follows:

Attorney	Position	Hours	Hourly Rate	Amount
Robert R. Benjamin (RRB)	Partner	1.40	565.00	791.00
Amanda Parmer (AP)	Partner	3.00	175.00	525.00
Ryan Tryzbiak (RT)	Paralegal	<u>2.50</u>	175.00	437.50
	_	6.90		\$1.753.50

2. CLAIMS

GCT attorneys advised Debtor's management team regarding claims by creditors. Included was obtaining approval of the settlement of a malpractice claim. The benefits of these services to the Debtor and its estate were both economic and non-economic. The services had an economic benefit in that the claimants' issues were addressed in such a fashion that they did not interfere with Debtor's ongoing operations. The services had a non-economic benefit by promoting the bankruptcy process.

An itemized breakdown of the services rendered to the Debtor is attached hereto as Exhibit

A. A general breakdown is as follows:

Attorney	Position	Hours	Hourly Rate	Amount
Robert R. Benjamin (RRB)	Partner	1.80	565.00	1,017.00
Beverly A. Berneman (BAB)	Partner	2.00	550.00	1,100.00
Ryan Tryzbiak (RT)	Paralegal	<u>1.20</u>	175.00	210.00
	-	5.00		2,327.00

3. FINANCING

GCT obtained security endorsements from debtor upon the request of Byline Bank. These services benefited the estate on an economic basis by satisfying the concerns of the secured creditor. These services benefitted the estate on a non-economic basis by protecting the estate.

An itemized breakdown of the services rendered to the Debtor is attached hereto as Exhibit

A. A general breakdown is as follows:

Attorney	Position	Hours	Hourly Rate	Amount
Robert R. Benjamin (RRB)	Partner	<u>0.10</u>	565.00	<u>56.50</u> \$56.50

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4. PLAN

GCT attorneys drafted the Debtor's distribution spreadsheet and prepared documents regarding the issuance of a new series of stock in reorganized debtor. The benefits of these services to the Debtor and its estate were both economic and non-economic. The services had an economic benefit in that in completed the requirements for a reorganized Debtor with the Secretary of State and provided Debtor record of payments to creditors under the Plan. The services had a non-economic benefit by promoting the bankruptcy process.

An itemized breakdown of the services rendered to the Debtor is attached hereto as Exhibit

A. A general breakdown is as follows:

<u>Attorney</u>	Position	Hours	Hourly Rate	Amount
Robert R. Benjamin (RRB)	Partner	6.50	565.00	3,672.50
Beverly A. Berneman (BAB)	Partner	7.60	550.00	4,180.00
Amanda Parmer (AP)	Paralegal	1.00	175.00	175.00
	· ·	15.90		\$8,027.50

D. NARRATIVE SUMMARY

STATEMENT OF TIME AND TOTAL COMPENSATION SOUGHT IN THE APPLICATION FOR PREPARATION OF CURRENT OR PRIOR APPLICATION FOR COMPENSATION [Local Rules 5082-1(B)(1)(c)]

GCT requests reimbursement for the preparation of this Third Interim Fee Petition. GCT has constructed this detailed analysis of the fee petition as an aid to the Court and the creditors in determining the reasonableness of the fees requested. Counsel reviewed the fee entries and conducted a "business judgment" audit to insure that the fees requested were reasonable and necessary to the administration of the estate.

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An itemized breakdown of the time expended in preparing this Third Interim Fee Petition is attached hereto as Exhibit B. A general breakdown is as follows:

Attorney	Position	Hours	Hourly Rate	Amount
Robert R. Benjamin (RRB) Ryan Tryzbiak (RT)	Partner Paralegal	2.50 2.00	565.00 175.00	1,412.50 <u>350.00</u>
				\$1,762.50

E. NARRATIVE SUMMARY

HOURLY RATE FOR EACH PROFESSIONAL FOR WHOM COMPENSATION IS REQUESTED AND TOTAL NUMBER OF HOURS EXPENDED BY EACH PERSON AND TOTAL COMPENSATION SOUGHT FOR EACH [Local Rules 5082-1(B)(1)(d)]

The summary of each professional and the compensation appears in the Detailed Statements of Services which are attached as Exhibits A and B to the interim fee petition. The summary is as follows:

Name (Initials)	Position	Hours	Rates	Total
Robert R. Benjamin (RRB)	Partner	12.30	565.00	6,949.50
Beverly A. Berneman (BAB)	Partner	9.60	550.00	5,280.00
Amanda Parmer (AP)	Paralegal	4.00	175.00	700.00
Ryan Tryzbiak (RT)	Paralegal	3.70	175.00	647.50
TOTAL		29.60		13,577.00

F. NARRATIVE SUMMARY STATEMENT OF COMPENSATION PREVIOUSLY SOUGHT AND ALLOWED AND PAYMENTS RECEIVED BY COUNSEL TO DATE [Local Rules 5082-1(B)(1)(f)]

This is applicant's third fee petition. GCT previously sought compensation, which was awarded on June 22, 2020 (Docket No. 74) and September 15, 2020 (Docket No. 102). On April 13, 2020, this Court entered an order permitting professionals to seek interim compensations once every sixty (60) days after the order for relief was entered (Docket No. 56).

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Pursuant to this Court's previous order, the retainer of \$1,717.00 was applied against the fees and costs awarded in the First Interim Fee Order. GCT has also received a total of \$8,600.00 in post-petition payments from the Debtor, \$40,000.00 in post-petition payments from Dr. James Carlson, and \$6,249.00 from Subchapter V Trustee Matthew Brash. GCT has applied the funds received post-petition against the First Interim fee and Second Interim fee and cost award, leaving a balance of \$27,150.80 due against the First and Second Interim Fee Awards. GCT has received no other funds post-petition from the Debtor or any other source.

G. NARRATIVE SUMMARY TOTAL AMOUNT OF EXPENSES FOR WHICH REIMBURSEMENT IS SOUGHT [Local Rules 5082-1(B)(1)(g)]

GCT seeks reimbursement for out of pocket expenses in the amount of \$134.20 for virtual court appearance fees and postage fees. See Exhibit A, attached hereto.

H. NARRATIVE SUMMARY STATEMENT AS TO WHETHER THE REQUESTED FEES AND EXPENSES ARE SOUGHT TO BE ALLOWED OR BOTH ALLOWED AND PAID [Local Rules 5082-1(B)]

Counsel requests that the fees and expenses sought herein be allowed and paid.

VI. CERTIFICATION

GCT certifies that it has hereby served a copy of the chronological itemization of services rendered to the Debtor. To date, GCT has not received an objection to the fees.

VII. THE VALUE OF THE SERVICES FOR WHICH COMPENSATION IS SOUGHT AND PRESERVATION OF THE RETAINER

Section 330(a) of the Bankruptcy Code provides:

(a) After notice to any parties in interest and to the United States trustee and a hearing, and subject to sections 326, 328 and 329 of this title, the court may award to a trustee, to an examiner, to a professional person employed under section 327 or 1003 of this title, or to the debtor's attorney:

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- (1) reasonable compensation for actual, necessary services rendered by such trustee, examiner, professional person, or attorney, as the case may be, and by any paraprofessional persons employed by such trustee, professional person, or attorney, as the case may be based on the nature, the extent, and the value of such services, the time spent on such services, and the cost of comparable services other than in a cases under this title; and
 - (2) reimbursement for actual, necessary expenses.

The Bankruptcy Court has the independent authority and responsibility to determine the reasonableness of all fee requests, whether or not objections are filed. *In re Spanjer Brothers, Inc.*, 203 B.R. 85 (Bkrtcy. N.D.III., 1996); *In re Pettibone Corporation*, 74 B.R. 293 (Bkrtcy.N.D.III. 1987). The burden of proof is on the applicant to show that the fees incurred were actual and necessary. *In re Spanjer Brothers, Inc.*, 203 B.R. 85, 89 (Bkrtcy. N.D.III., 1996); *In re Chicago Lutheran Hospital Association*, 89 B.R. 719 (Bkrtcy.N.D.III. 1988); *In re Pettibone Corporation*, 74 B.R. 293 (Bkrtcy.N.D.III. 1987).

The representation of the Debtor adequately corresponds with the time and labor expended by GCT. The various issues involved required experienced bankruptcy counsel. GCT attorneys have over one hundred (100) years combined experience in the area of bankruptcy law. Less experienced attorneys would not have handled the matters herein as efficiently and as effectively. Due to the substantial time expended on behalf of the Debtor, GCT was precluded from accepting cases requiring extensive representation during the initial phase of these cases. GCT was able to accomplish a great deal directed towards aiding the Debtor its reorganization efforts. Considering the results obtained by GCT the amounts involved are fair and reasonable. This Court has reviewed and ruled upon numerous fee applications and is in a position to determine that the rates herein are reasonable.

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VIII. OBJECTIONS

Any objections this fee application should be submitted in writing filed with this Court and

delivered to counsel for the Debtor (address below) on or before December 4, 2020.

IX. CONCLUSION

WHEREFORE, GOLAN CHRISTIE TAGLIA LLP requests that this court enter an Order:

A. Determining that the legal services and fees incurred in this fee petition were

necessary and reasonable;

B. Allowing interim compensation as counsel for the Debtor in the amount of

\$12,164.50 for fees incurred from August 12, 2020 through October 31, 2020 plus the costs of

preparing this fee petition in the amount of \$1,762.50 for a total of \$13,927.00;

C. Allowing reimbursement of out of pocket expenses in the amount of \$134.20; and

D. Granting such other and further relief as this Court may deem just and proper.

Dated: November 16, 2020 GOLAN CHRISTIE TAGLIA LLP

By: /s/Robert R. Benjamin

Robert R. Benjamin

Robert R. Benjamin (ARDC #0170429) Beverly A. Berneman (ARDC #6189418)

GOLAN CHRISTIE TAGLIA LLP

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